


NAVAL POSTGRADUATE SCHOOL
INVESTIGATION REPORT
NIGHTS #201101350
26 March 2012

1. Investigator and Identifying Information and Location of Working Papers.

a. Investigator and Identifying Information.

(b)(6), (b)(7)c



b. Location of working papers. President, Naval Postgraduate School, Inspector General Office, Attn: 00CE, Herrmann Hall West Wing, Room 415, 1 University Circle, Monterey, CA 93943.

2. Background and Summary.

a. Hotline Control Number, Date of Receipt and Tasking Dates.

(1) On 4 May 2011, the complainant, B6, B7C walked into the NPS IG office and submitted multiple complaints with regard to two Marine Corps Systems Command (MCSC) sponsored research projects with which NPS was affiliated: Rapid Prototyping Valued Information at the Right Time (RPV), and the Wide Area Focal Plane B6, B7C Camera (WFPAC).

(2) On 5 May 2011, the case information was entered into the Naval Inspector General Hotline Information System (NIGHTS) as case number 201101350. A Preliminary Inquiry (PI) was completed on 11 October 2011 by the NPS IG Office, resulting in a recommendation to investigate.

b. Summary of Complaint. B6, B7C alleged contract mismanagement (contractor violations), project mismanagement (Economy Act violations), and unethical conduct by a (b)(6), (b)(7)c and an NPS employee. The unethical conduct alleged was that NPS employees (b)(6), (b)(7)c and B6, B7C (b)(6), (b)(7)c misused their positions by providing non-public information to B6, B7C of the Raytheon Company in April 2010, in conjunction with the RPV project. B6, B7C also alleged that B6, B7C provided preferential treatment to contractors (b)(6), (b)(7)c (b)(6), (b)(7)c of the B6, B7C Company and B6, B7C of Teledyne

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Solutions, Inc. (TSI)) by advocating for them, which resulted in continued funding of their companies. The preliminary analysis determined allegations of misuse of position and preferential treatment warranted an IG investigation.

c. Additional Information.

(1) B6, B7C also alleged that TSI and Raytheon were supporting WFPAC without a new Statement of Work (SOW), without direction from Contracting Agency Contract Officers, and that the contractors were corresponding directly with MCSC on deliverables and direction. Additionally, she alleged TSI provided direct input to a revised SOW managed by the MCSC WFPAC (b)(6), (b)(7)c, which would result in additional funding to support WFPAC. The PI determined this complaint was not appropriate for NPS IG, and it was referred to the MCSC IG for action on 7 October 2011.

(2) NPS IG dismissed a complaint of project mismanagement (Economy Act violations). B6, B7C had alleged that research funding for WFPAC was an Economy Act Order, and that the funding could not be sent directly to a contractor. NPS IG dismissed this issue during the PI because it was found that the funding was correctly utilized, and there was no violation of the provisions for Economy Act Orders.

d. Summary of Outcome of Investigation. NPS IG review of the complaint determined three allegations warranted investigation.

(1) The investigation found that one allegation against (b)(6) (b)(6), (b)(7)c was **not substantiated**. Based on the evidence, NPS IG concluded B6, B7C did not provide non-public information to (b)(6) (b)(6), (b)(7)c of Raytheon in April 2010.

(2) The investigation found that one allegation against (b)(6) (b)(7)c was **not substantiated**. Based on the evidence, NPS IG concluded B6, B7C did not provide non-public information to (b)(6) (b)(7)c of Raytheon in April 2010.

(3) The investigation found that a second allegation against (b)(6) (b)(6), (b)(7)c was **not substantiated**. Based on the evidence, NPS IG concluded B6, B7C remained impartial and did not provide preferential treatment to contractors in March 2011.

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3. First Allegation. That B6, B7C [redacted] misused his position as a (b)(6), (b)(7)c [redacted] to provide non-public information to B6, B7C [redacted] of Raytheon in violation of DoD Standards of Conduct (5 CFR 2635.703).

a. Facts.

(1) 5 CFR 2635.703 Use of non-public information states in part, "An employee shall not...allow the improper use of non-public information to further his own private interest or that of another, whether through advice, recommendation, or by knowing unauthorized disclosure."

(2) The Game Plan document outlined the RPV areas of responsibilities, the timeframe required, and how all the different research areas fit together. B6, B7C [redacted] did not consider the plan as having anything in it special and it contained nothing other than how he would deliver the promises made to MCSC.

(3) B6, B7C [redacted] provided an April 2010 email between (b)(6), (b)(7)c [redacted] B6, B7C [redacted] and B6, B7C [redacted] in which B6, B7C [redacted] states (b)(6), (b)(7)c [redacted] could share RPV-related documents (Game Plan) on RPV with B6, B7C [redacted] B6, B7C [redacted] provided feedback and recommended changes to the Game Plan. Raytheon was awarded a contract for RPV work in July 2010.

(4) (b)(6), (b)(7)c [redacted] for RPV, testified the Game Plan was a device to focus everyone's work similar to a high level business plan. The plan included milestones for people to follow and outlined roles of the people involved. The plan was readily available and an open document. B6, B7C [redacted] testified he was familiar with B6, B7C [redacted] of Raytheon, and Raytheon had a track record of previously demonstrating the Information Assurance (IA) cross domain high assurance piece. RPV was trying to integrate technology from industry and Raytheon already had an IA piece that would allow RPV to integrate multiple streams of information across different domains.

(5) B6, B7C [redacted] Defense Micro Electronics Agency (DMEA) (b)(6), (b)(7)c [redacted] stated the PI (or any customer) can conduct market surveys to determine what services are available and the potential cost. The customer could share what the end state for a project might be and a rough order of magnitude for cost with a

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contractor. It would be inappropriate to share the full requirements with the contractor during a market survey.

(6) B6, B7C testified B6, B7C came to him with some personnel requisitions for specialized areas of research. (b)(6) (b)(6), (b)(7)c stated he recruited several individuals to the project who were hired by B6, B7C B6, B7C stated Information Assurance (IA) Cross-Domain Solutions (CDS), transfer, access, multi-level solution requires very specialized expertise. He identified (b)(6) (b)(7)c to B6, B7C as a person who had this specialized expertise. B6, B7C did not recall what documents were shared with B6, B7C but believed B6, B7C sent him the information. B6, B7C has known B6, B7C almost 15 years to include previous research on the World-Wide Web Consortium for the Grid (b)(6), (b)(7)c (b)(6), (b)(7)c and B6, B7C have similar interest and expertise in IA and Rapid Evolutionary Acquisition (REA).

(7) B6, B7C Principle Investigator (PI) for RPV, testified he recalled discussing the IA problem with B6, B7C IA security was not in the original research proposal and became relevant about four months into the project. B6, B7C stated the recommendation to use B6, B7C came from B6, B7C (b)(6) (b)(7)c, (b)(6) believed he needed to have B6, B7C work on the IA solution after reviewing B6, B7C work and determining he was a subject matter expert in the IA field. B6, B7C stated he probably shared with B6, B7C the same documents (Game Plan) he shared with other contractors to determine if they could support the project. B6, B7C did not consider anything he provided contractors as sensitive.

b. Analysis/Discussion/Conclusion.

(1) B6, B7C with the assistance of B6, B7C determined B6, B7C was the leading expert in IA security and considered him to be a subject matter expert in the IA field.

(2) The Game Plan document was freely shared with project contractors and used to outline the RPV project. There was no indication the document was non-public nor sensitive, but rather was open and readily available.

(3) There was sufficient, credible testimony from the (b)(6) (b)(6), (b)(7)c that the Game Plan amounted to market survey

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information. The feedback from B6, B7C showed how he could support the RPV project.

(4) Based on the preponderance of evidence, B6, B7C did not provide non-public information to B6, B7C of B6, B7C NPS PIs and researchers are often knowledgeable of external people and companies that have specialized expertise to support NPS research. It is not uncommon for PIs to consult and share information with experts on research projects. The allegation that (b)(6), (b)(7)c misused his position as a (b)(6), (b)(7)c to provide non-public information to B6, B7C of Raytheon in violation of DoD Standards of Conduct (5 CFR 2635.703) was **not substantiated**.

c. Recommendations. No further action necessary.

d. Disposition. None.

4. Second Allegation. That B6, B7C misused his position to provide non-public information to B6, B7C of B6, B7C in violation of DoD Standards of Conduct (5 CFR 2635.703).

a. Facts.

(1) 5 CFR 2635.703 Use of non-public information states in part, "An employee shall not ... allow the improper use of non-public information to further his own private interest or that of another, whether through advice, recommendation, or by knowing unauthorized disclosure."

(2) The Game Plan document outlined the RPV areas of responsibilities, the timeframe required, and how all the different research areas fit together. B6, B7C did not consider the plan as having anything in it special and it contained nothing other than how he would deliver the promises made to MCSC.

B6, B7C B6, B7C
B6, B7C B6, B7C
B6, B7C
the
proposal. B6, B7C was awarded a contract for RPV work in July 2010.

(4) (b)(6), (b)(7)c for RPV, testified the Game Plan was a device to focus everyone's work similar

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to a high level business plan. The plan included milestones for people to follow and outlined roles of the people involved. The plan was readily available and an open document. B6, B7C testified he was familiar with B6, B7C of Raytheon, and Raytheon had a track record of previously demonstrating the Information Assurance (IA) cross domain high assurance piece. RPV was trying to integrate technology from industry and Raytheon already had an IA piece that would allow RPV to integrate multiple streams of information across different domains.

(5) (b)(6), (b)(7)c

(b)(6), (b)(7)c stated the PI (or any customer) can conduct market surveys to determine what services are available and the potential cost. The customer could share what the end state for a project might be and a rough order of magnitude for cost with a contractor. It would be inappropriate to share the full requirements with the contractor during a market survey.

(6) (b)(6), (b)(7)c for RPV, testified he recalled discussing the IA problem with B6, B7C B6, B7C stated the recommendation to use B6, B7C came from B6, B7C (b)(6), (b)(7)c (b)(6) believed he needed to have B6, B7C work on the IA solution after reviewing B6, B7C work and determining he was a subject matter expert in the IA field. B6, B7C stated he probably shared with B6, B7C the same documents (Game Plan) he shared with other contractors to determine if they could support the project. (b)(6) (b)(6), (b)(7)c did not consider anything he provided contractors as sensitive.

(7) B6, B7C testified B6, B7C came to him with some personnel requisitions for specialized areas of research. (b)(6) (b)(6), (b)(7)c stated Information Assurance (IA) Cross-Domain Solutions (CDS), transfer, access, multi-level solution requires a very specialized expertise. He identified B6, B7C to B6, B7C as a person who had this specialized expertise. B6, B7C did not recall what documents were shared with B6, B7C but believed (b)(6) (b)(6), (b)(7)c sent him the information he shared with B6, B7C (b)(6), (b)(7)c has known B6, B7C almost 15 years to include previous research on the World-Wide Web Consortium for the Grid (W2COG). (b)(6) (b)(6), (b)(7)c and B6, B7C have similar interest and expertise in IA and Rapid Evolutionary Acquisition (REA).

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b. Analysis/Discussion/Conclusion.

(1) Based on his past research in (b)(6), (b)(7)c was familiar with B6, B7C expertise in IA. B6, B7C recommended to B6, B7C that (b)(6), (b)(7)c was a leading expert in IA security.

(2) The Game Plan document was freely shared with project contractors and used to outline the RPV project. There was no indication the document was non-public nor sensitive, but rather was open and readily available.

(3) There was sufficient, credible testimony from the (b)(6) (b)(6), (b)(7)c that the Game Plan amounted to market survey information. The feedback from B6, B7C showed how he could support the RPV project.

(2) Based on the preponderance of evidence, B6, B7C did not provide non-public information to B6, B7C of Raytheon. NPS researchers are often knowledgeable of external people and companies that have specialized expertise to support NPS research. It is not uncommon for researchers to consult with and share information with experts on research projects. The allegation that B6, B7C misused his position to provide non-public information to B6, B7C of Raytheon in violation of DoD Standards of Conduct (5 CFR 2635.703) was **not substantiated**.

c. Recommendations. No further action necessary.

d. Disposition. None.

5. Third Allegation. That B6, B7C failed to remain impartial and gave preferential treatment to B6, B7C of Raytheon and B6, B7C of TSI in violation of DoD Standards of Conduct (5 CFR 2635.101).

a. Facts.

(1) 5 CFR 2635.101 Part I(h) states in part, "Employees shall act impartially and not give preferential treatment to any private organization or individual."

(2) (b)(6), (b)(7)c for WFPAC research and the NPS Government (b)(6), (b)(7)c for the contracts with Raytheon and TSI) believed Raytheon and TSI were not providing deliverables per their contracts to support WFPAC. (b)(6)

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(b)(6), (b)(7)c was appointed as the NPS (b)(6), (b)(7)c on 8 March 2011. (b)(6) stated she was told by the WFPAC Program Manager, B6, B7C to continue using Raytheon and TSI to support WFPAC research because they were politically connected. This happened after B6, B7C wrote an email on 23 March 2011 supporting the contractors. (b)(6) (b)(6), (b)(7)c believed B6, B7C advocated to B6, B7C to continue using Raytheon and TSI. B6, B7C stated B6, B7C was not funded under the NPS WFPAC team to support the project.

(3) 23 March 2011 email from B6, B7C to the WFPAC Program Manager, B6, B7C and key personnel supporting WFPAC (PI, MCSC personnel, contractors). B6, B7C email appeared to clarify a discussion on the WFPAC IA/CDS Architecture made during the March 2011 WFPAC Conference. B6, B7C supported keeping B6, B7C and (b)(6) (b)(6), (b)(7)c on the WFPAC project as experts in their fields. The WFPAC (b)(6), (b)(7)c responded to the email that he agreed with (b)(6) (b)(6), (b)(7)c assessment to keep B6, B7C on the project.

(4) (b)(6), (b)(7)c for Raytheon, was not aware of any issues with Raytheon not performing or providing deliverables.

(5) (b)(6), (b)(7)c (b)(6), (b)(7)c was not aware of any issues TSI (B6, B7C was not performing or providing deliverables.

(6) (b)(7)c, (b)(6) for RPV, testified B6, B7C was integrated with Joint Interoperability Test Command (JITC) in testing and understanding what the Marines needed and interfaced with MCSC on a related project. B6, B7C believed RPV and WFPAC were related to B6, B7C research in network centric architectures (W2COG).

(7) (b)(6), (b)(7)c Department, stated B6, B7C primary role is conducting research for JTIC on Netcentric Certification Office. B6, B7C believed Netcentric Operations had correlation to RPV. He was aware that (b)(6) (b)(7)c communicated with MCSC during WFPAC.

(8) B6, B7C believed B6, B7C was funded by JTIC and his JTIC work supported similar work with MCSC.

(9) B6, B7C testified he is the PI for the Netcentric Certification Office sponsored by JTIC. B6, B7C stated he was

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informally involved with the RPV and WFPAC project because each project incorporated netcentricity and had an acquisition process component. B6, B7C stated he became an advisor to the (b)(6), (b)(7)c because he was considered an expert in determining the best way the Government does security and testing (security solutions and testing solutions) based on years of research. B6, B7C stated B6, B7C told him that she wanted to maintain the Raytheon and Teledyne contracts in WFPAC. B6, B7C worked with B6, B7C and JTIC to test and certify WFPAC in an accelerated way to get it to the field on time. B6, B7C was unfamiliar with B6, B7C research proposal for WFPAC.

(10) B6, B7C stated that during an off session at the 23 March 2011 WFPAC Conference, he pressed the need for a virtual security methodology (virtualization model) because the traditional approaches would not work based on his expertise, and B6, B7C questioned using the idea. B6, B7C disagreed with B6, B7C comments. B6, B7C believed WFPAC was trying to get to a highly virtualized approach called multi-layer security. B6, B7C stated he has been working on multi-layer security over several years and was defending his opinion to statements made by B6, B7C against his conclusions. B6, B7C believed he was stating what was already demonstrated, tested, and designed against the requirements for the project.

b. Analysis/Discussion/Conclusion.

(1) B6, B7C sponsored research with JTIC incorporated his work with the WFPAC project at MCSC. B6, B7C expertise was leveraged by MCSC for the RPV and WFPAC project.

(2) B6, B7C reasonably believed Raytheon and TSI were not performing or providing deliverables on the WFPAC project, yet did not contact the contracting representatives to express her concerns. Therefore, the contracting officer representatives for Raytheon and TSI were not aware of any performance issues.

(3) Although B6, B7C believed B6, B7C advocated for Raytheon and TSI in the 23 March email, the preponderance of evidence showed B6, B7C was expressing his professional opinion on the capabilities of B6, B7C (Raytheon) and B6, B7C (TSI) based on his expertise. The email was in response to B6, B7C comments on

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the WFPAC IA/CDS Architecture. B6, B7C actions appeared reasonable given his level of expertise and involvement with MCSC.

(4) Based on the preponderance of evidence, B6, B7C remained impartial and did not provide preferential treatment to (b)(6) (b)(6), (b)(7)c of B6, B7C or B6, B7C of TSI. Rather, B6, B7C was expressing his professional opinion on the capabilities of B6, B7C and B6, B7C to support WFPAC, based on his research and expertise. The allegation that B6, B7C failed to remain impartial and gave preferential treatment to contractors in violation of DoD Standards of Conduct (5 CFR 2635.101) was **not substantiated**.

c. Recommendations. No further action necessary.

d. Disposition. None.

6. Interviews and Documents.

a. Interviews conducted. (All interviews were conducted in person unless otherwise noted).

(b)(6), (b)(7)c

B6, B7C

B6, B7C

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B6, B7C

B6, B7C

b. Documents Reviewed.

(1) Standards of Conduct 5 CFR 2635

(2) Numerous emails (January 2010 - May 2011) and documentation provided by complainant.

(3) Raytheon contract with NPS (task orders and related funding documentation).

(4) Teledyne Solutions, Inc. (TSI) contract with NPS (task orders and related funding documentation).

(5) Research proposals and funding documents for B6, B7C
B6, B7C and B6, B7C

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(6) RPV Game Plan document.

(7) Economy Act and related documentation (DoDI 4000.19 and DD Form 1144, NAVCOMP Form 2275).

(8) Published research articles and conference presentations by B6, B7C [REDACTED] and B6, B7C [REDACTED]

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